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# NAVAL POSTGRADUATE SCHOOL

## Monterey, California



## THESIS

### ACQUISITION REFORM THROUGH ALPHA CONTRACTING

by

Connie M. Goodwin

December 2002

Thesis Advisor:  
Associate Advisor:

James Suchan  
James Ganoe

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**ACQUISITION REFORM THROUGH ALPHA CONTRACTING**

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B.S., Athens State University, 1991

Submitted in partial fulfillment of the  
requirements for the degree of

**MASTER OF SCIENCE IN CONTRACT MANAGEMENT**

from the

**NAVAL POSTGRADUATE SCHOOL  
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## **ABSTRACT**

The focus of acquisition reform is to obtain better products for the Department of Defense (DoD) and motivate the actual contracting process of acquiring those produces for defense systems. The motivation comes from acquisition reform. The Alpha Contracting Process is one of several innovative contracting concepts of acquisition reform that has been implemented by several commands. The purpose of this thesis will be to determine the effectiveness of the Alpha Contracting Process. Data gathered from field research, interviews, case studies, and survey data are employed to support the effectiveness of Alpha Contracting. Advantages and disadvantages and potential inhibitors to Alpha Contracting are discussed, as well as mechanisms to overcome the inhibitors. This thesis will provide a model of the traditional contracting process versus the alpha contracting process.

The thesis concludes that alpha contracting can innovate the contracting process and provides recommendations for future research.



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# **I. INTRODUCTION**

## **A. PURPOSE**

This thesis analyzes Alpha Contracting as an Acquisition Reform Process to innovate the Department of Defense (DoD) contracting process. A detailed analysis addressing the positive implications and potential inhibitors will be discussed, as well as mechanisms to overcome the inhibitors. Advantages and disadvantages of Alpha Contracting will be addressed and lessons learned. A model will be developed to construct the traditional contracting process with the alpha contracting process.

## **B. BACKGROUND**

Alpha Contracting is a key reform initiative that looks to streamline the contracting process. The Federal Acquisition Regulation (FAR) clearly states the right to streamline a process in its Statement of Guiding Principles for the Federal Acquisition System. Government members of the Acquisition Team may assume if a specific strategy, practice, policy or procedure is in the best interests of the Government and is not addressed in the FAR, nor prohibited by law, Executive order or other regulation, that the strategy, practice, policy or procedure is a permissible exercise of authority [Ref. 13]

Based on the above guidance, Alpha Contracting is a name invented by the Army to apply to an innovative technique for sole source requirements. Alpha contracting as an innovative acquisition reform technique has now been employed for procurements of numerous products and services.

Alpha Contracting uses a team approach to prepare, evaluate, and award proposals hopefully in substantially less time than the traditional approach to sole source contracting. It is a contracting process intended to shorten the time from development of the Statement of Work (SOW) for contract award through a joint cooperative effort between all of the stakeholders of the acquisition process. The alpha contracting process requires the intimate involvement of the contractor and the government acquisition community.



Encouraging early reports of cost savings, quality improvements and dramatic cycle-time reductions suggest that alpha contracting offers excellent potential to innovate a wide variety of defense contracting process [Ref. 25]. This thesis concentrates in particular on the key area of innovating the contracting work force through its use of the alpha contracting process at the U.S. Army Aviation and Missile Command (AMCOM).

## **C. RESEARCH QUESTIONS**

### **1. Primary Research Question**

- Can alpha contracting innovate the DoD contracting process at the U.S. Army Aviation and Missile Command, and if so, how?

### **2. Secondary Research Question**

- What is Alpha Contracting and is it truly an innovative way in requiring goods and services for DoD services?
- What is the DoD traditional sole-source contracting process?
- What are the advantages of the alpha contracting process?
  - Takes less time to issue and award contract: The primary advantage of Alpha Contracting is shortened lead-time for getting the acquisition under contract due principally to a Statement of Work (SOW) that both parties jointly develop which produces a document that is more clearly defined.
  - Develops better buyer and seller relationship: Alpha Contracting may build improved trust and honest communication between both parties. The key to success is for the contractor and the government representatives to trust each other. The Alpha contracting process will not work when there is an adversarial relationship between the government and contractor.
  - Create a teaming relationship: Alpha Contracting can develop a teaming approach between the government and the contractor. The teaming approach can ensure efficient human resource use by eliminating the need to re-do tasks (i.e., single technical review, coordinated fact-finding, early coordination of necessary documents).
- What are the disadvantages to the Alpha Contracting process?
  - Empowerment of the teams: Alpha Contracting process requires that the participants be devoted exclusively to this process. Along with this total involvement is the necessity for each team member to have the authority to make decisions for his/her organization. This process cannot be effective if the team members have to

continually go back to management for approval of decisions made by the team.

- **Costly Process:** Alpha Contracting process can be a costly process. Personnel are required to be away from their office for an extended period of time, which means that other personnel back in their office must pull double duty on the day-to-day operations of the office [Ref. 14.]. Alpha Contracting process can require both the contractor and government representatives to travel extensively, which can become extremely costly.
- **Maintaining Team Membership:** Team members must be dedicated to the alpha process. It is crucial to maintain the same team members through the entire process of the alpha approach.
- **What are potential inhibitors to applying the Alpha contracting process?**
  - **Resources Constraints:** Though Alpha Contracting can possibly decrease cycle time, it requires dedication of ample resources early in the contracting process. Dedication of government and contractor personnel, time, and manpower is crucial to successfully perform alpha contracting.
  - **Resistance to Change:** The customer often does not fully understand the alpha process. There is possible resistance from a customer who not only does not understand the requirements of the traditional contracting process let alone the alpha contracting process.
  - **Loss of Control:** Both the government and contractor have rules and regulations to maintain control of the traditional contracting process. A Government example would be approval above the contracting officer level before release of the RFP. For a contractor, such control may include executive level budgeting decisions at each contracting step [Ref. 30]. Many of these controls are lost in the alpha process when IPT members are empowered to make decisions and create contracting documents in person, without consent from upper levels at each alpha contracting process step.

A more detail analysis of the advantages and disadvantages of Alpha Contracting will be discussed in Chapter III.

#### **D. SCOPE**

The audience for this thesis includes DoD policy makers, program managers, Contracting Officer/Contract Specialist, Defense Contract Audit Agency (DCAA), Defense Contract Management Command (DCMC), and possibly prime contractors.

This thesis will address many advantages, disadvantages, and inhibitors that are currently related to the Alpha Contracting process. A comparison of the alpha contracting process and the traditional contracting process will be provided.

All audiences can benefit from this thesis. To understand the process and the procedure enables the audience to reach a win/win situation to benefit all involved. A win/win situation is determined when both parties, the government and contractor, leave the negotiation table thinking that their objective has been met.

## **E. METHODOLOGY**

A process-innovation framework is used to analyze the relative similarities, differences, pathologies, and innovation opportunities of traditional sole-source and alpha contracting processes. Data was collected through three primary methods: literature review, interviews, and an Alpha Contracting Assessment Survey. An extensive review of literature was conducted on the topics of alpha contracting, process innovation, DoD service contracting, and Integrated Product Teams. Literature was obtained from many sources, including the Army Acquisition Reform Newsletter Issue 26, Partnering for Success, Army AL&T newsmagazine, the Dudley Knox Library, and the worldwide Web. This included current publications, periodicals, articles, case studies, federal regulations and previous theses.

Interviews were conducted with five persons familiar with the Alpha Contracting process. The interviews consisted of contractor and government personnel. The contracting personnel interviewed have service contracting experience varying from the simplified acquisition threshold to multi-million dollar contracts. These interviews were conducted to gather information attributed to the advantages and disadvantages of the alpha contracting process. Interviews were also conducted to gather data from government contracting officers on their personal experience utilizing the alpha contracting process, personal views of its uniqueness, or problems they encountered.

A semi-structured interview approach was taken to a minimum number of standard interview questions. The researcher explained to the interviewees that the questions were only a bridge to spark conversation in the research area. The Alpha

Contracting Assessment Survey was distributed with twenty contracting personnel as well as twenty prime contractors, and twenty technical personnel who have participated in the alpha contracting process. The survey will be used as a metric to stress the importance of establishing ground rules for relationships and functions critical to the success of the Alpha Contracting process.

## **F. ORGANIZATION**

Chapter I provides an introduction to the Alpha Contracting Process.

Chapter II provides an overview of the traditional DoD sole-source contracting process and the alpha contracting process. It also addresses the advantages and disadvantages of the Alpha process.

Chapter III provides data obtained from two Army Acquisition programs regarding the implementation of the Alpha process and its effects on these programs. This chapter will also address interviews that were designed and conducted to gather information from government contracting personnel on their personal experience utilizing the Alpha process.

Chapter IV provides data that was conducted through a survey entitled “The Alpha Contracting Assessment Survey” (see Appendix A). This survey was issued to determine if Alpha Contracting is an innovative acquisition reform initiative.

Chapter V summarizes the research finding, answers the research questions, and recommendations are provided for further study.

## **G. BENEFITS OF STUDY**

This thesis provides valuable insight into the alpha contracting process by analyzing the lessons learned from the use of alpha contracting. This thesis can be used by contracting specialist/officers, program managers, policy makers, and technical individuals who may be involved in procuring requirements for DoD. This thesis can provide an overall understanding of the Alpha Contracting process to assist individuals in understanding the process. To implement the Alpha Contracting process as a successful process one must understand the process and potential inhibitors that may arise and need to be addressed before the process can begin.

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## **II. BACKGROUND**

### **A. INTRODUCTION**

The Department of Defense (DoD) spends over \$240 billion a year on supplies, services, personnel and construction, and this figure appears to be growing rapidly [Ref. 6]. These billions of dollars spent each year by DoD within private industry are outlayed via a contracting process guided by the Federal Acquisition Regulation (FAR). The FAR gives both Government and industry acquisition professionals structure to contract for supplies and services by and for the use of the Federal Government through purchase or lease, whether the supplies or services already exist or must be created, developed, demonstrated and evaluated.

This chapter presents an overview of the traditional DoD sole-source contracting process, as well as an overview of the alpha contracting process. The chapter describes the alpha contracting process as a potentially innovative acquisition reform technique that has now been successfully employed for procurement of a number of products and services. This is followed with a high-level summary of benefits associated with contracting.

Data for this thesis was collected in three phases. The first phase consisted of an extensive review of literature, which was conducted on the topics of alpha contracting, process innovation, DoD service contracting, and Integrated Product Teams. Literature was obtained from many sources: Army Acquisition Reform Newsletter Issue 26, Partnering for Success, Army AL&T newsmagazine, the Dudley Knox Library, and the worldwide Web. This included current publications, periodicals, articles, case studies, federal regulations and previous theses.

### **B. TRADITIONAL SOLE-SOURCE CONTRACTING PROCESS**

The traditional sole-source process has many elements that have to be followed, as shown in Figure 1 below (see page 12). First, the contracts office issues a formal Request for Proposal (RFP). Depending on the complexity of the requirement, the proposal is requested in thirty days (maybe forty-five days).

Upon contractor receipt of the RFP, the proposal preparation process begins. The proposal is divided among the contractors' functional areas for evaluation. After evaluation, the contractor consolidates questions on the RFP and submits them to the Government. After review and staffing of the questions, the program office and the contracting officer will consolidate a response and submit it back to the contractor. Finally, a proposal is developed by the contractor and then provided to the Government.

After receipt of the proposal, the contracts office requests technical evaluation and audit report. This process is segmented so that one government agency cannot complete its function without the help of the other. For example, the audit report cannot be completed without the input of the technical evaluation. This takes time and slows the process. Once the technical evaluation has been completed and forwarded to the auditor to include in his report, the auditor has a total of forty-five days to complete his report. After completion, he forwards the audit report to the contract office. At this time, the contract office prepares price/cost analyses, prepares spreadsheets to be used during negotiations, and prepares pre-negotiation memorandum for review and approval.

Next, the Government Contracting Officer develops objectives, positions, strategy, and tactics that will help prepare her team for negotiations. Continuous tweaking of formal documents, i.e. SOW, RFP, etc., and additional memorandum questions further lengthen this process.

The formal documents may go through numerous iterations of changes before both parties reach an agreement. This process is normally referred to as "Over the Fence" [Ref. 2] contracting. "Over the Fence" refers to strict and rigid lines of authority between the Government and Contractor. "Over the Fence" is when one party develops something, i.e. an offer or RFP, and then sends it to the other party, who then develops a response and then throws it back over the fence to the other party without discussion [Ref. 14].

Once the pre-negotiation memorandum has been approved, negotiations take place. The contractor representatives typically receive similar approvals from their executives, very similar to the pre-negotiation memorandum that the Government

receives. This negotiation is a team against team process with both teams working towards their targets [Ref. 25]. Negotiations can last a couple of days to several weeks depending on the complexity of the requirement, discrepancies with the proposal, questioned costs, exceptions that may have been taken with proposed labor hours and proposed rates, and other factors [Ref. 33]. Once an agreement has been reached, the contractor will submit Certificate of Current Cost of Pricing Data (depending on the dollar amount) and a letter for Completion of Negotiations. The contract's office then issues a post negotiation memorandum for review and approval. This memorandum includes the results of negotiations. After approval, the contract's office prepares the contract and review for necessary approvals. After the approval process has been completed, the contract is issued to the contractor for signature.

During this process, the Over the Fence methodology is still present. This traditional contracting process for requirement \$500,000 and larger can take anywhere from 6 months to a year to complete. In addition, the time to issue, negotiate, and award a contract depends on the urgency and complexity of the requirement. The longer this process takes, the higher the risk of proposal changes, such as shift in market price or direct materials or direct labor needed for the contract. This lengthy process can lead to a strain on both the government and contractor relationships.

A general example of the traditional sole-source process is depicted in Figure 1.

### **C. ALPHA CONTRACTING IN SOLE-SOURCE PROCUREMENTS**

The Alpha Contracting Process usually only applies to Sole-Source procurements, which is not the preferred method for U.S. Government contracting; however, it is a large part of the Federal acquisition process today. A statistical study was performed in 1990 by the Federal Procurement Data Center, which indicated that 32.8 percent of DoD procurement dollars were awarded on a noncompetitive basis [Ref. 31]. This thesis refers to this noncompetitive process as the “traditional sole-source contracting process” as shown in Figure 1.



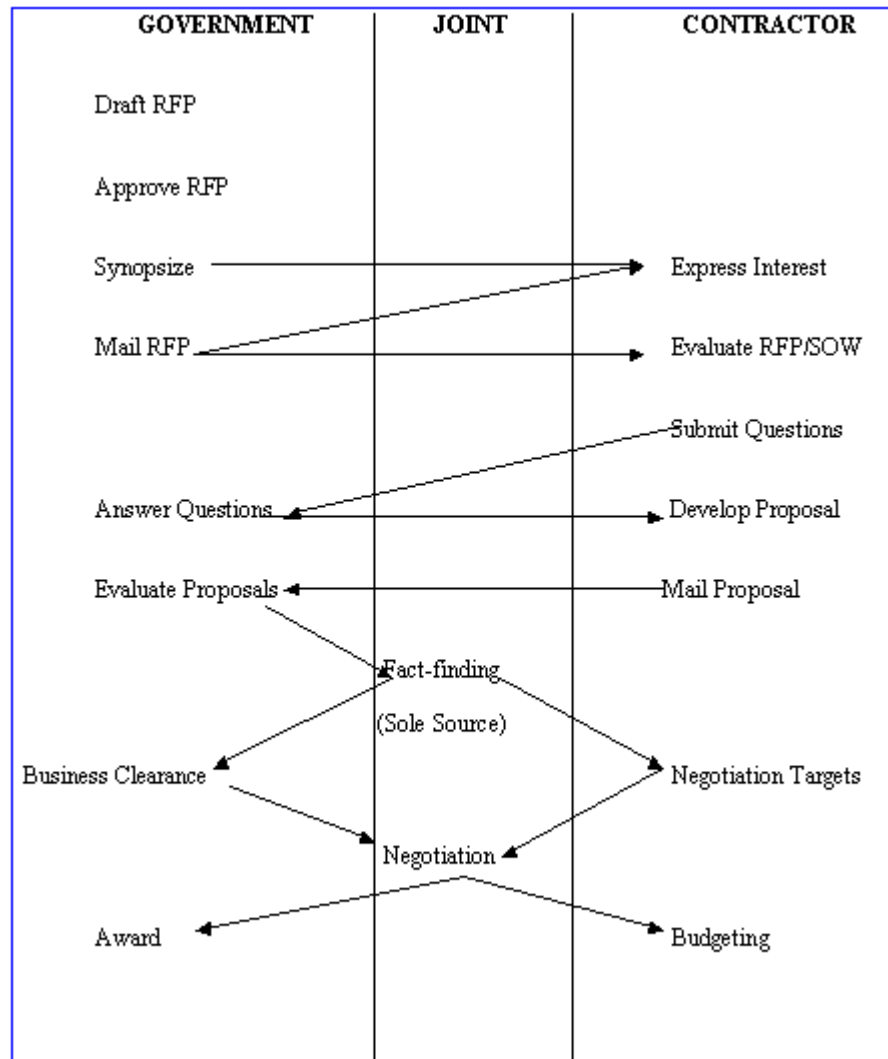


Figure 1. Traditional Sole-Source Contracting Flow. [Ref. 25]

There are some situations in which purchasing a product or service directly from a single source is necessary. According to the FAR, there are seven circumstances that permit the use of other than full and open competition [Ref. 13:subpart 6.302]. These circumstances must be addressed prior to the utilization of the Alpha Contracting Process.

- Only one responsible source and no other supplies or services will satisfy agency requirements. Citation 10 U.S.C. 2304(c)(1) or 41 U.S.C. 253(c)(1).
- Unusual or compelling urgency. Citation 10 U.S.C. 2304(c)(2) or 41 U.S.C. 253(c)(2)

- Industrial mobilization; engineering, development or research capability; or expert services. Citation 10 U.S.C. 2304(c)(3) or 41 U.S.C. 253(c)(3)
- International agreement. Citation 10 U.S.C. 2304(c)(4) or 41 U.S.C. 253(c)(4)
- Authorized or required by statute. Citation 10 U.S.C. 2304(c)(5) or 41 U.S.C. 253(c)(5)
- National Security Citation. 10 U.S.C. 2304(c)(6) or 41 U.S.C. 253(c)(6)
- Public Interest Citation. 10 U.S.C. 2304(c)(7) or 41 U.S.C. 253(c)(7)

If the Procuring Contracting Officer believes that a particular procurement falls within one of the seven circumstances stated above, he cannot commence negotiations with the contractor until three actions are taken. He must 1) justify in writing the use of sole-source in accordance with FAR 6.302, 2) certify the accuracy and completeness of the justification, and 3) obtain the required approval as required by FAR 6.304 [Ref. 13:subpart 6.303].

Justification must contain sufficient facts and rationale to justify and support the use of the specific authority cited. Each justification shall include as a minimum the following [Ref. 13:subpart 6.303-2]:

- Identification of the agency and the contracting activity, and specific identification of the document as “Justification for other than full and open competition”
- Nature and/or description of the action being approved
- A description of the supplies or services required to meet the agency needs
- An identification of the statutory authority permitting other than full and open competition
- A demonstration that the proposed contractor’s unique qualifications or the nature of the acquisition requires use of the authority cited
- A description of the efforts made to ensure that offers are solicited from as many potential sources as is practicable
- A determination by the contracting officer that the anticipated cost to the Government will be fair and reasonable
- A description of the market research conducted and the results or a statement of the reason market research was conducted
- Any other supporting facts

- A listing of the sources, if any, that expressed, in writing, an interest in the acquisition
- A statement of the actions, if any, the agency may take to remove or overcome any barriers to competition before any subsequent acquisition for the supplies or services required
- Contracting officer certification that the justification is accurate and complete to the best of the contracting officer's knowledge and belief

Approval authority for sole source procurements is based on the proposed monetary amount of the contract. For proposed contracts not exceeding \$500,000, the contracting officer's certification will serve as approval official. For proposed contracts over \$500,000 but not exceeding \$10,000,000, the competition advocate for the procuring activity will be designated as the approval official. For proposed contracts over \$10,000,000 but not exceeding \$50,000,000, the head of the procuring activity must certify. For proposed contracts over \$50,000,000, the senior procurement executive of the agency must certify. [Ref. 13: subpart 6.304]

#### **D. ALPHA CONTRACTING PROCESS**

As stated earlier, sole source acquisition is not the preferred means of procurement; however, it is still necessary and a very important aspect of contracting. When the Government needs a piece of technology and only one company has the expertise to manufacture or owns this piece of technology, sole source acquisition is necessary. DoD continues to strive to streamline the costly and time consuming "traditional" sole source contracting process. However, alpha contracting represents an innovative approach to streamlining the sole source contracting process. Innovative practices are advocated in the DoD 5000.1, which encourages program managers to "continually search for innovative practices that reduce cycle time, reduce cost, and encourage teamwork" [Ref. 32]. Although, the DoD 5000.1 series has just recently been eliminated and replaced with interim guidance, that guidance still reflects innovative practices to reduce cycle time, reduce cost, and encourage teamwork.

The goal of process innovation, therefore, is to focus on a key business process in order to achieve "major reductions in process of cost or time, or major improvements in quality, flexibility, service levels, or other business objectives" [Ref. 8].

Extensive search of both the Defense Acquisition Deskbook and DoD articles has revealed that little background literature exists regarding the Alpha Contracting process. Most of the literature reveals in articles for various Army and Navy research and development periodicals of the advantages and disadvantages of the Alpha Contracting process [Refs. 10 and 11]. Additional data was found in the 'Tools and Techniques Guidebook' and the 'Best Practice Handbook' [Ref. 24] that have been released by a few of the Army's major commands. This limited amount of research material can be attributed to the fact that Alpha Contracting process is a new acquisition reform initiative.

The literature reveals the following advantages and disadvantages to the Alpha Contracting Process.

## **E. ADVANTAGES OF ALPHA CONTRACTING**

### **1. Less Time to Issue and Award Contract**

The primary advantage to Alpha Contracting is the shortened lead-time for placing the acquisition under contract, which results from a SOW that the parties jointly develop that is more clearly understood [Ref. 19]. In addition, Alpha Contracting produces a fairer price for both parties than could be achieved otherwise, along with the creation of an environment which promotes the development of team spirit. This better environment provides for a better working relationship between the contractor and the government. This improved environment will then carry over after contract award into the performance of the contract [Ref. 24]. As stated in the Defense Acquisition Desk Book, the implementation of Alpha Contracting has improved the results in shorter procurement acquisition lead times and has eliminated the majority of the problems related to ambiguous requirements and misunderstandings of the requirements [Ref 10].

### **2. Buyer and Seller Relationship**

The alpha approach builds trust and honesty between parties. It is open communication for both sides to come to the table with openness and fairness. The key to success is for the contractor and government to trust each other. The process will not work when there is an adversarial relationship between the government and contractor [Ref. 29].

The process not only builds buyer and seller trust but involves all the key stakeholders from the beginning of the acquisition. The stakeholders come together with a joint willingness to “think outside the box” and to adhere to the principle of open and honest communication [Ref. 28]. Without this foundation, the alpha process cannot succeed. Communication builds trust, which is a critical component of the process. John Bailey stated that, “when the going gets tough or unanticipated problems arise, alpha contracting becomes more important. Only through open and honest communication among the team members can these obstacles be successfully overcome” [Ref. 2].

### **3. Team Members**

Alpha Contracting capitalizes on the teaming of the government and contractor during the early stages of the acquisition process. One of the functions of this early teaming is to identify duplicative, burdensome and costly oversight requirements that do not provide an added value to the government [Ref. 23].

Team members must be dedicated to the alpha process. It is crucial to maintain the same team members through the entire process of the alpha approach. Honesty and integrity of all team members involved (leaving old adversarial relationships behind) is necessary during this approach [Ref. 17].

Team dedication must come from all team members. The team members usually consist of individuals from the following areas: Defense Contract Management Center, Defense Contract Audit Agency, technical representatives for engineering, logistics, product assurance, test and configuration management, an individual from the requiring office (program office), Price/Cost Specialist, Contract Specialist, Contracting Officer, and legal attorney. However, the legal attorney is usually not present for all meetings or discussions during the alpha process. They are called in when it is deemed necessary for review, comments or questions.

## **F. DISADVANTAGES TO ALPHA CONTRACTING**

### **1. Empowerment of the Team**

The alpha approach requires that the participants be devoted exclusively to this process. Along with this total involvement is the necessity for each team member to have

the authority to make decisions for his/her organization. This process will not be effective if the team members have to go back to management for approval of the decisions made by the team. The team must be empowered to make decisions during this process. Without this authority, the team will lose creditability during negotiations [Ref. 24]. If the contractor knows that the team has not been given the empowerment to make decisions, the contractor will want to discuss his/her issues with the individual(s) who can make the decisions. Also, if the team is not empowered to make decisions and has to go back and forth to management for approval, this slows this process greatly and is very frustrating to the teams. Trusting and empowering the team with the requisite responsibility and authority to make binding decisions within the requirement, results in the success of the alpha contracting.

The empowerment requirement can be a disadvantage in the alpha approach because management is often reluctant to give total responsibility and empowerment to the team. In my research for this thesis and in discussing this approach with management, co-workers, and Program office personnel, I learned that empowerment is the key to the success of alpha contracting. Although, the team should be empowered, they also have to realize their responsibility in gaining the trust of management to justify continued empowerment.

An example of how the alpha process does not work when management does not empower the Alpha team is as follows [Ref. 22]:

The NAVAIR utilized the Alpha contracting process when they negotiated a requirement for the NAVAIR CASS ACAT II Program. It appeared during this process that the contractor did not send people empowered to make decisions; or they chose not to exercise the authority. This caused a problem for both teams and resulted in delays during negotiations. It also caused frustration for the government's team which was trying to negotiate and award the contract in a timely manner. However, decisions could not be agreed upon due to the lack of empowerment on the contractor's side [Ref. 22].

## **2. Costly Process**

Alpha contracting is a time consuming process that requires the undevoted attention of the participants for the duration of the process. It can also be a costly process. Personnel are required to be away from their offices for an extended period of time which means that other personnel back in their office must pull double duty on the day-to-day operations of the office [Ref. 14]. It is also costly because of the extensive travel involved since the alpha team must meet at both the government and contractors' locations. Meetings at the Contractor's facility are almost always the preferred meeting place as it is more cost effective since there are typically fewer government personnel required to travel than contractor personnel. In addition, meetings at the contractor's facility enhance the team's access to contractor technical personnel, who may only be needed on an occasional basis. It also facilitates access to the contractor's cost information and back-up historical information [Ref. 22].

Although face-to-face meetings/negotiations are most conducive to open communication, time and budgetary constraints may limit the feasibility of this approach. Any media available, including Video Teleconferencing and e-mail should be used to maintain continuous communication among the teams [Ref. 22].

## **3. Maintaining Team Makeup**

At times, all team members are not always available during the whole process of alpha contracting. This can cause a problem. When a team is formulated and the process begins, it is crucial for the team members to remain with the team during the whole alpha contracting process. When an individual is involved and then leaves and is then replaced, it makes it difficult for all involved to get back on schedule and target. The individual just coming into the team has to take time to review the issues already discussed and the issues to be discussed. The individual may see the issues differently from the other individual. He may state this to the team and this can cause problems and well as take time to resolve.

## **G. ALPHA CONTRACTING A SUBSET OF INTEGRATED PROCESS AND PRODUCT DEVELOPMENT (IPPD) PROCESS**

Additional research from literature and periodicals reveal the following: Thomas C Meyer, stated that, Alpha contracting is a name coined to describe an innovative technique that takes the contracting process and converts it from a consecutive process into a concurrent process. It involves the entire pre-award process, from solicitation development, through proposal preparation, to evaluation, negotiation, and award. Alpha contracting relies on a team approach to concurrently develop a SOW, price that SOW, and prepare the contract to execute the scope. Andrew F. Clements claims that Alpha contracting has allowed requirements for major systems, subsystems, and components to be under contract in a matter of days or weeks rather than months and years. If this data is correct, Alpha Contracting will be a successful acquisition reform initiative.

Alpha contracting is really a subset of the Integrated Process and Product Development (IPPD) process. It is the pre-award phase of IPPD. The IPPD allows for the early integration of business, contracting, manufacturing, test, training, and support considerations in the process. Conceptually, by involving key stakeholders early and throughout, all program related decisions, which makes up the bulk of changes and revisions, happen earlier in development when the costs of changes are lower.

Alpha Contracting, when integrated into the IPPD process, allows for the joint development and understanding of contract requirements by including the contractor representatives in the IPT structure early and throughout the process. Rather than a heel-to-toe process, with Alpha contracting an integrated product team is established with all the players included in the process such as requirements, contracting, audit, and the user, along with the contractor and his principal subcontractors [Ref. 5]. This early interaction facilitates the breakdown of the rigid structure of formal communications that exists in the traditional contracting process and allows for the joint development of contract requirements. Theoretically, this facilitates the realization of a significant savings in time, which allows for the critical element of schedule to be maintained.

The Alpha Contracting Process reduces the solicitation phase in many aspects such as a formal solicitation does not have to be issued. Also, the scope of work is issued



sooner because of the teaming arrangement. The Alpha Contracting process “establishes a team consisting of contracting, programs, and audit personnel; the user; and the contractor and its principal subcontractors. Together, this team develops the scope of work and other contract requirements, which form a baseline from which the team can jointly develop the technical and cost data details that are the basis of the contract agreement” [Ref. 25]. During this process, the team may identify the need to change the baseline to provide better performance or lower risk or to reduce the cost. Rather than have a proposal submitted with numerous exceptions or a price that is unaffordable, the team jointly develops an approach that all parties find acceptable and affordable. Instead of a RFP, the team’s product is essentially a model contract. The model contract developed at the beginning is revised and adjusted as the technical and price details are worked out, and becomes the contract document executed [Ref. 2].

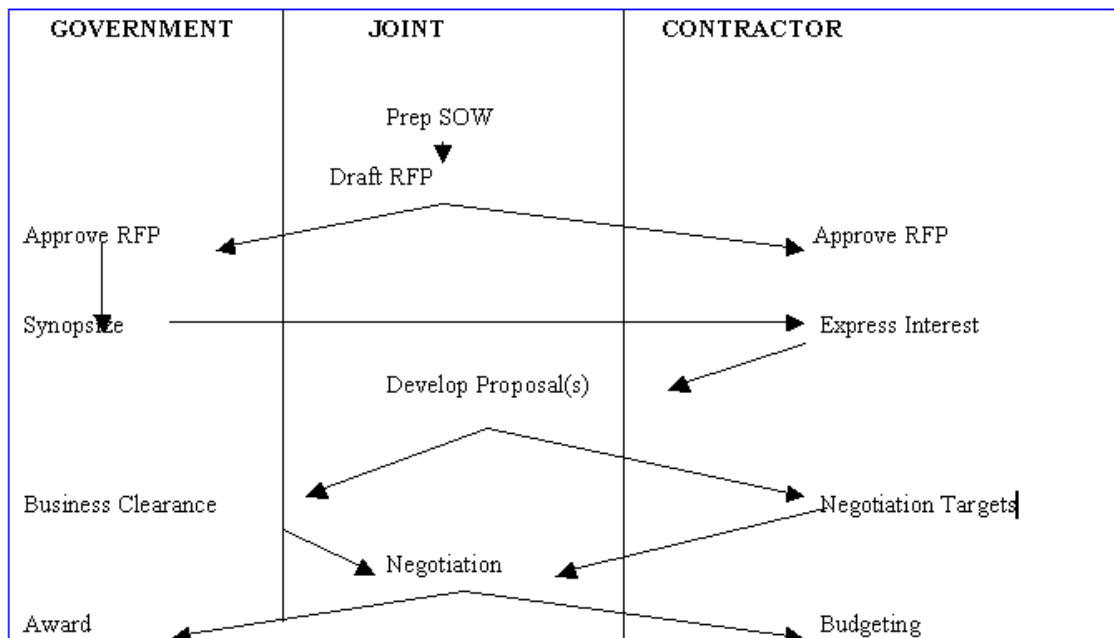


Figure 2. Alpha Contracting Process Flow. [Ref. 25]

## H. ALPHA CONTRACTING PROCESS FLOW

The alpha contracting process delineated above in Figure 2 balances between Government-only and Contractor-only SOW development. This approach can be

described in terms of investment. Both teams invest the time and attention of key personnel up-front to jointly develop these contracting documents. The investment has objectives that include: 1) improving communications; 2) decreasing the number of formal RFP iterations, revisions and rework required to correct misunderstandings, error and mistakes; 3) reducing the cycle time required for contracting; 4) increasing the level of trust, openness and mutual respect between the government and contractor teams; and 5) decreasing the overall cost both for the Government and the contractor associated with the procurement [Ref. 25].

The Alpha Contracting process begins with an initial meeting with all IPT members to jointly prepare the SOW, the contract's specifications, Contract Data Requirement Lists (CDRLs), and RFP. From the beginning, this process distinguishes itself from the traditional method because of early contractor involvement. This interaction begins to strip away the rigid structure that exists in the traditional method and works to increase the amounts of communication [Ref. 30]. Once the draft SOW and RFP are produced, the program office approves or seeks approval for the RFP from the appropriate DoD channels. Concurrently, the contractor executives review and provide feedback to the contractor team [Ref. 35].

At the next meeting, the IPT jointly develops the proposal. The Alpha process can facilitate a better understanding of the requirements and capabilities that result from face-to-face meetings. If the process is working as hoped for, both government and contractor begin to develop trust and honesty and open communication. These face-to-face meetings can eliminate the "Over the Fence" methodology.

The next several meetings constitute the actual contract negotiation process. The same IPT that has developed the RFP and proposal now negotiates any remaining differences into the final contract. The outcome of negotiations is contract award. This process should be extremely streamlined with the key focus on joint effort to produce the contract [Ref. 2].

As Figure 2 illustrates, the majority of the work performed in the Alpha Contracting process takes place within the joint column. This joint effort has a twofold

benefit by developing and completing the formal documentations that constitute the contracting process, as well as implementing an informal communication chain between the government and the contractor.

## **I. SUMMARY**

The traditional contracting approach involves a sequence of activities that floats numerous amounts of paper from the program office to the procurement office rather than to the contractor, with various iterations of specifications, work statements, scopes, requests for proposals, cost estimates, proposals, evaluations, requests for supporting information, and revisions. John Bailey of AMC Headquarters states that “this negotiation process may take a year or more while costs mount and relationships are strained” [Ref. 2].

The Alpha approach utilizes the “teaming arrangement” [Ref. 5]. This approach is also an acquisition reform streamlining method of procuring supplies and services using in many cases concurrent procurement events. As stated earlier, the contractor and the government become a “team” in determining the SOW for the requirement. The “teaming” enables both parties to work hand-in-hand during this process and to share knowledge due to mutual trust and honesty, which can result in a rewarding experience and positive results for all involved. Alpha contracting tries to eliminate the us vs. them mentality that often characterizes government industry relations by improving communication on various subjects with the hoped for results that the parties are less likely to be surprised by events after contract award such as additional costs, which often leads to disputes and litigation.

Alpha contracting will not work if both parties continue to adhere to the us vs. them mentality or do not approach the process as a team. The team focus must be on the achievement of mutual goals and objectives through the creation of a win/win relationship. Management, as well as the team for alpha contracting, must truly believe in and become advocates for the alpha contracting process.

The goal of the government and contractor should be to provide our soldiers with quality supplies and services, on time, and at a reasonable price. Alpha contracting approach could maximize the potential to reach these goals.

The next chapter presents data on two Army acquisition programs, regarding their integration of the Alpha Contracting concepts discussed in this chapter.

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### **III. ALPHA CONTRACTING PROCESS IMPLEMENTATION CASE STUDIES**

#### **A. INTRODUCTION**

This chapter presents data obtained from the following Army Acquisition programs regarding the implementation of the Alpha Contracting process and its effect on the programs: Dual Mount Stinger Launchers and the Comanche Program. These two programs were selected because of their satisfaction of three criteria. First, only Army acquisition programs were considered, which narrowed the field of study. Secondly, each program analyzed has engaged in an Alpha Contracting method of sole source procurement. Finally, each program has awarded at least one contract, initial or follow-on, utilizing the Alpha Contracting relationship between the Government and the Contractor.

The second phase of data collection consisted of interviews. Interviews were conducted with five persons familiar with the Alpha Contracting process. A semi-structured interview approach was taken. The interviews consisted of ten questions each, and the interviews were held anywhere from one to two hours in length. The interviewees were selected for this research because of their satisfaction of three criteria. First, the contracting personnel interviewed have service contracting experience varying from the simplified acquisition threshold to multi-million dollar contracts. Second, the interviewees have engaged in an Alpha Contracting method of sole source procurement. Finally, each interviewee of the study awarded at least one contract, initial or follow-on, utilizing the Alpha Contracting process.

These interviews were conducted to gather information attributed to the advantages and disadvantages of the alpha contracting process. Interviews were also conducted to gather data from government contracting officers on their personal experience utilizing the alpha contracting process, personal views of uniqueness, or problems they specifically encountered.

The next section discusses the Army Acquisition programs regarding the implementation and utilization of the Alpha Contracting process and its effect on the Dual Mount Stinger Launchers and the Comanche Programs.

## **B. THE DUAL MOUNT STINGER (DMS) LAUNCHERS**

### **1. Program Background**

DMS is a tripod-mounted launch platform for the Stinger Missile which was developed by Hughes Missile Systems Company. Hughes Missile Systems was later sold to Raytheon Corporation and is currently operating as Raytheon Missile Systems Corporation (RMSC) for the Short Range Air Defense (SHORAD) Project Office. Given the proliferation of tripod-based, short-range air defense missiles, it was a natural evolution for Stinger to develop a tripod launcher. The DMS launcher assembly was designed as an integrating fixture so that a single operator could fire two Stinger missiles against aerial targets. The DMS System provides not only the tactical hardware but also the training and support equipment to prepare military personnel to operate the system proficiently and ensure equipment readiness. The DMS Weapon System consists of the DMS launcher with two Stinger tactical missiles (Guided Missile and Intercept Aerial). This system provides air defense capabilities from a fixed ground position. A self-contained system, the DMS includes its own electrical power systems, argon coolant, and sighting units.

The United States had no requirement for the DMS system back in 1997; consequently its development and fielding presented a unique set of challenges [Ref. 34]. A current FMS customer approached the SHORAD Project Office with the requirement for a tripod launcher; SHORAD began work immediately.

### **2. Alpha Contracting for DMS**

In August 1997, the SHORAD Project Office began to prepare a Contract Requirements Package for procurement of the DMS Launchers, test set, publications, and training for the FMS customer. This requirement would be the first procurement of the DMS Launcher system by the Government and the first production of it by the contractor [Ref. 1]. The total estimated value of the procurement was \$49.2 million, and award of the contract was required by 31 December 1997 to meet the customer's fielding schedule.

Alpha Contracting process was selected for this procurement as it was felt that this would produce a contract in the necessary time frame. Discussions were held with the contractor to discuss the Alpha Contracting process on 22 October 1997. After a joint discussion about the requirements and objectives, both parties committed to the program and the Alpha Contracting process.

Both parties committed to the process because all believed that Alpha Contracting was an innovative technique that could take the contracting process and convert it from a consecutive process into a concurrent process. As a result of the Alpha Contracting approach, both parties concurrently developed the SOW, priced that SOW, and prepared the contract to execute the scope.

MaryAnn Anderson, Contract Specialist for the DMS Launcher requirement, stated that two of the most significant factors enabling the SHORAD Project Office and RMSC to successfully develop, produce, and field the DMS system were the proven acquisition reform initiatives of:

- The IPT approach for program management, which consisted of members with cross-functional backgrounds and expertise from the government, RMSC, and major vendors. The DMS IPT goal was to collaborate as a team to develop, produce, and field the DMS system. The IPT when integrated with Alpha Contracting focused on meeting the requirements defined by the customer, while at the same time ensuring no degradation to the overall effectiveness of the Stinger missile. To achieve the goal, a team charter laid out the most important project requirements. The IPT was the key to executing the program on schedule and within cost. This was due to their efforts working through problems or heading off potential problems.
- Alpha Contracting allowed the DMS Launcher procurement to be placed on contract in time to meet the customer's fielding schedule, a requirement of the FMS case, which was a critical element of this requirement.

As evidence of the DMS being developed, produced, and fielded within the three years after the FMS case was approved, dedicated individuals made up the above DMS IPT, including the Alpha Contracting Team, worked extremely hard and were totally committed to the project. The team's superb efforts resulted in the production of a quality DMS Launcher that was delivered and fielded on time, resulting in a totally satisfied customer.



The Alpha Contracting process worked very well for this procurement. Processing time was reduced significantly for the contractor and the government [Ref. 34]. The contractor estimated its savings from reduced proposal preparation time and audit, fact-finding, and negotiation support to be \$25,000. Further, the contractor incurred no expense for preparing formal proposal brochures or certain internal audit processes, which saved an estimated \$7,000 [Ref. 34].

As documented here, Alpha Contracting can work if all stakeholders have a clear understanding of the Alpha process and both parties buy into the process.

Contract managers in the commercial sector should realize that, while we use the military term alpha contracting, these ideas apply equally in either the commercial or the military sectors [Ref. 19]. The obvious advantages or benefits of alpha contracting in the DMS example, above are as follows:

- The contractor participates in solicitation development and more quickly aligns program needs with current capabilities and technologies.
- The contractor's expertise is available to define the requirements when the customer really needs such help.
- An optimized program is achievable.
- Non-value added requirements are eliminated.
- Technical details are developed along with cost estimates to allow tradeoff decisions immediately.
- Lead times are reduced from years to months, from months to weeks, and from weeks to days (as mentioned earlier).
- Proposal preparation costs are cut, as well as overall costs.
- The work scope and pricing is better understood, and subsequent problems are avoided.
- There are fewer post-award modifications, fewer conflicts, less litigation, and thus, lower program risk.
- Buy-in, trust, and open communications are encouraged to build a basis for ongoing partnership.
- Contract managers are better able to meet the aggressive program budgets and schedules.

- Efficient human resource use is ensured by eliminating the need to re-do tasks (spreadsheet standardization, single technical review, coordinated fact-finding, early coordination of documentation).

As seen in the DMS Launcher requirement, because the alpha contracting process may require a dedicated, labor, intensive team from start to finish, it should be targeted to acquisitions that have a high payoff or tailored to specific situations. Page W. Glennie states that, “most large, long-range programs will benefit from alpha contracting”. Alpha Contracting establishes and supports the communities of practice in a sharing environment by enticing, exciting, and engaging the IPT members [Ref. 16].

## **C. COMANCHE’S SUCCESS WITH ALPHA CONTRACTING**

### **1. Program Background**

The Comanche RAH-66 Program Management Office (PMO) had a requirement to execute a contract for follow-on Engineering and Manufacturing Development (EDM). For planning purposes, a modification under the existing Demonstration/Validation contract, which identified the period of performance of the total Comanche, revised the program as of 1 October 1998, through 31 December 2006. A Milestone II EMD decision was tentatively scheduled for March 2000, and a Milestone III (Full Rate Production) decision was tentatively scheduled for December 2006 [Ref. 20]. The plan was to execute the revised program under two separate contractual instruments: (a) the period of performance from 1 October 1998 through 31 March 2000 would continue under the existing contract and would be defined via a subsequent modification; and (b) the period of performance from 1 April 2000 through 31 December 2006 would be proposed in accordance with the EMD proposal preparation instructions and awarded as a separate contract (the EMD contract) [Ref. 20].

After the decision was made to have two separate contractual instruments, the requirement was solicited for the EMD portion of the existing program.

### **2. The Alpha Process**

After receipt of the Office of the Secretary of Defense (OSD) direction to proceed with planning the revised Comanche program, the parties, consisting of the Comanche government team and Boeing-Sikorsky contractor team, convened to establish basic

technical, programmatic, and pricing ground rules to initiate the Alpha contracting process [Ref. 20]. The ground rules, which were instrumental in understanding the major components of the contractual documents, consisted of forming a partnering agreement Memorandum of Understanding (MOU). The partnering agreement included a mandatory format for the development of the cost and task sheets by Work Breakdown Structure (WBS). Using this format, the IPT formalized their planning estimates. The ground rules also included the DCMA and DCAA, which laid out specific organizational responsibilities for the agencies.

The Alpha Contracting process used to restructure the Comanche program centered on development of a plan to minimize overall program disruption during the procurement process. Considerations included the following:

- Establishing ground rules and processes required for obtaining successful Milestone II decision and a mutually agreeable EMD program within the funding available
- Developing a SOW to cover the remaining Demonstration/Validation (Dem/Val) effort and the follow-on EMD requirement
- Establishing a Program Steering Committee to resolve discrepancies
- Closely monitoring Dem/Val progress to minimize cost and schedule variances

During the Alpha contracting process, the parties maintained a model contract to continually document the terms and conditions as agreements were reached. The parties successfully concluded negotiations on 23 February 2000, and agreed to a Cost Plus Award Fee (CPAF) type contract of \$3,150,558,202. A formal signing ceremony was held on 1 June 2000. The government fully executed the follow-on EMD contract, thus signifying not only a major milestone in aviation modernization, but also recognizing that the alpha contracting process enhanced the hard work, trust, and teamwork that made it possible [Ref. 20].

Sam Huffstetler, the Contracting Officer for the Comanche RAH-66 Airframe Development Contracts and EMD, stated that the following key elements were necessary in the success of utilizing the Alpha Contracting process for this procurement.

- Commitment
  - Maintain Senior Management Support
  - Build Trust and Confidence
  - Clearly define and communicate requirements
  - Make and support timely decisions at the lowest possible organizational level
- Communication
  - Involve DCMA and DCAA through out the process
  - Share contractor estimates and government evaluations as early as practical, feasible, and allowable.
  - Flow down requirements to subcontractors as early as possible.
  - Work together better and smarter
  - Solve problems up-front
  - Eliminate unnecessary documentation
- Cooperation
  - Promote increased “Teamwork”
  - Eliminate adversarial relationships
  - Promote involvement between the government and contractor
  - Promote achieving agreement on program requirements and needs at the functional level through the IPT process

Hufstetler indicated that the success factor to remember is the need to abolish the stereotypical scenario of “we vs. them” mentality. In today’s environment of limited and even diminishing budgets, the realization that a “team effort” is needed for program success is critical to the Alpha Contracting process. When the Alpha team accepts the “us” concept, resolving issues becomes a “win/win” scenario for both parties [Ref. 21]. The win/win scenario results when both parties have an equal understanding of the requirement and both focus on the success of the requirement as demonstrated in the programs discussed above.

Some of those good business practices that the contracting community were told to follow years ago were business procurement practices. The community was supposed to remake, or “reinvent” or “reform,” government procurement along different lines –

what was said to be the business way of doing things [Ref. 7]. Alpha contracting can be considered a “reform” initiative because of the perception of a win/win negotiation between both parties. As discussed in Chapter III, the procurement of the DMS Launcher and Comanche program reflects the perception of a win/win between both parties.

There are many aspects to remember when applying the Alpha Contracting process. No two requirements are the same; therefore, no two Alphas’ are the same. Alpha Contracting is not a stringent set of practices and procedures. There is neither a guidebook nor regulations for the Alpha process, only “Lessons Learned” articles and best practices. The best Alpha Acquisition process is the one that meets the needs of that particular requirement. Leslie Lancaster states in his article that “as long as it’s legal and both parties agree to it, it’s a good process” [Ref. 21]. A good process ensures the perception of a win/win for both parties involved in negotiations. The results are good for all involved.

The next chapter presents a survey entitled “Assessing the ALPHA Contracting Process”. The survey gathers data to determine if contracting personnel, technical personnel, and contractors perceived the Alpha process as a useful, innovative reform initiative.

## **IV. ALPHA CONTRACTING SURVEY**

### **A. INTRODUCTION**

The last phase of data collection consisted of a survey entitled “The Alpha Contracting Assessment Survey” (see Appendix A), which was conducted with twenty contracting personnel as well as twenty prime contractors, and twenty technical personnel who have participated in the alpha contracting process. This survey was issued to determine if Alpha Contracting is an innovative acquisition reform initiative. Thirty questions were asked and twenty individuals from each group responded for a total of sixty responses. The questions in the survey focused primarily on the effects of Alpha Contracting: Does Alpha Contracting promote open communication, is honesty increased between all IPT members, are all representatives from each organization directly involved in the Alpha process, and is the IPT empowered by management to make the decisions in the Alpha process?

The questions were generated from discussions with contracting personnel and various articles and literature read during this thesis research. The survey results and their significances follow. Not all survey results are reported. Only those questions that provided surprising data are discussed.

### **B. CONTRACTING PERSONNEL**

Table 1. AMCOM’s Contracting Personnel Attitudes Toward Alpha Contracting.

1. Goals are identified and approved at the initial meeting.	
STRONGLY AGREE	35%
AGREE	50%
DISAGREE	15%
STRONGLY DISAGREE	0%

Out of twenty contracting personnel surveyed fifty percent agree and thirty five percent strongly agree that goals are identified and approved at the initial meeting. These

contracting personnel responding to the survey have engaged in the Alpha Contracting process and have awarded at least one contract utilizing the Alpha Contracting process.

Table 2. AMCOM's Contracting Personnel Attitudes Toward Alpha Contracting.

2. Roles and responsibilities are clearly defined for all IPT members during the alpha process.	
STRONGLY AGREE	0%
AGREE	55%
DISAGREE	25%
STRONGLY DISAGREE	20%

Only Fifty five percent of the contracting personnel agree that roles and responsibilities for the IPT members are clearly defined. However, twenty percent strongly disagree that the roles and responsibilities are clearly defined.

Table 3. AMCOM's Contracting Personnel Attitudes Toward Alpha Contracting.

3. Honesty and open communication is apparent during the alpha process and IPT members disclose pertinent information during the negotiation process.	
STRONGLY AGREE	40%
AGREE	30%
DISAGREE	30%
STRONGLY DISAGREE	0%

Forty percent of the contracting personnel strongly agree and thirty percent agree that the Alpha Contracting process enhanced honesty and open communication and both parties disclosed pertinent information during this process.

Table 4. AMCOM's Contracting Personnel Attitudes Toward Alpha Contracting.

4. IPT members are fully empowered during the Alpha process.	
STRONGLY AGREE	5%
AGREE	15%
DISAGREE	60%
STRONGLY DISAGREE	20%

Sixty percent of the contracting personnel believe that IPT members are not empowered during the Alpha process. Twenty percent strongly agree that they have not been empowered by senior management.

Table 5. AMCOM's Contracting Personnel Attitudes Toward Alpha Contracting.

5. When comparing the Alpha process to the more formal (traditional) contracting procedures there are fewer disagreements.	
STRONGLY AGREE	10%
AGREE	45%
DISAGREE	40%
STRONGLY DISAGREE	5%

Survey results indicate that forty five percent agree that when comparing the Alpha process to the more formal contracting procedures there are fewer disagreements. However, forty percent disagree.



Table 6. AMCOM's Contracting Personnel Attitudes Toward Alpha Contracting.

6. The time to process and negotiate a contract is expedited during the Alpha process.	
STRONGLY AGREE	35%
AGREE	50%
DISAGREE	5%
STRONGLY DISAGREE	10%

Survey indicates that fifty percent agree and thirty five percent strongly agree that the Alpha process does expedite negotiation and award of a contract.

Table 7. AMCOM's Contracting Personnel Attitudes Toward Alpha Contracting.

7. There is too much travel involved during the Alpha process.	
STRONGLY AGREE	5%
AGREE	55%
DISAGREE	30%
STRONGLY DISAGREE	10%

Survey indicates that fifty five percent agree and five percent strongly agree that there is too much travel during the alpha process. The alpha process can require travel from both the contractor and government. Depending on the location that both parties agree on to meet, the process can require excessive travel and become extremely costly. Meetings at contractor's facility is almost always the preferred meeting place because it is more cost effective since there are typically fewer government personnel required to travel than contractor personnel.

Table 8. AMCOM's Contracting Personnel Attitudes Toward Alpha Contracting.

8. Management does not support the intent of the alpha process.	
STRONGLY AGREE	10%
AGREE	60%
DISAGREE	30%
STRONGLY DISAGREE	0%

Survey indicates sixty percent of the contracting personnel agree and ten percent strongly agree that management truly does not support the intent of the alpha process. Although the Alpha Contracting process can greatly decrease cycle time, it requires dedication of ample resources early in the contracting process. Dedication of government and contractor personnel, time, and manpower is crucial to successfully perform Alpha Contracting. This problem is compounded by the fact that the government is experiencing a shortage of contracting personnel [Ref. 2].

Table 9. AMCOM's Contracting Personnel Attitudes Toward Alpha Contracting.

9. I feel like I am really part of the team during the Alpha process.	
STRONGLY AGREE	15%
AGREE	55%
DISAGREE	30%
STRONGLY DISAGREE	0%

Fifteen of the contracting personnel strongly agree and fifty five percent agree that they are truly part of a team when utilizing the Alpha process. Interestingly, thirty percent felt that they were not part of the team.

Table 10. AMCOM's Contracting Personnel Attitudes Toward Alpha Contracting.

10. I think the Alpha process should be eliminated.	
STRONGLY AGREE	30%
AGREE	50%
DISAGREE	20%
STRONGLY DISAGREE	0%

Surprisingly, fifty percent of the contracting personnel agree and thirty percent strongly agree, that the alpha process should be eliminated. Clearly, there is resistance to change. Many individuals are hesitant to shift to a paradigm of open conversation with industry or to totally share contracting information.

### C. TECHNICAL PERSONNEL

Table 11. AMCOM's Technical Personnel Attitudes Toward Alpha Contracting.

1. Goals are identified and approved at the initial meeting.	
STRONGLY AGREE	0%
AGREE	50%
DISAGREE	50%
STRONGLY DISAGREE	0%

Out of twenty technical personnel surveyed and responded only fifty percent agree that goals are identified and approved at the initial meeting. These technical personnel responding to the survey have engaged in the Alpha Contracting process.

Table 12. AMCOM's Technical Personnel Attitudes Toward Alpha Contracting.

2. Roles and responsibilities are clearly defined for all IPT members during the alpha process.	
STRONGLY AGREE	10%
AGREE	65%
DISAGREE	25%
STRONGLY DISAGREE	0%

Seventy five percent of the technical personnel agree that roles and responsibilities for the IPT members are clearly defined.

Table 13. AMCOM's Technical Personnel Attitudes Toward Alpha Contracting.

3. Honesty and open communication is apparent during the alpha process and IPT members disclose pertinent information during the negotiation process.	
STRONGLY AGREE	15%
AGREE	80%
DISAGREE	5%
STRONGLY DISAGREE	0%

Ninety five percent of the technical personnel agree that the Alpha Contracting process enhanced honesty and open communication and both parties disclosed pertinent information during this process.

Table 14. AMCOM's Technical Personnel Attitudes Toward Alpha Contracting.

4. IPT members are fully empowered during the Alpha process.	
STRONGLY AGREE	0%
AGREE	0%
DISAGREE	50%
STRONGLY DISAGREE	50%

One hundred percent of the technical personnel believe that IPT members are not empowered during the Alpha process.

Table 15. AMCOM's Technical Personnel Attitudes Toward Alpha Contracting.

5. When comparing the Alpha process to the more formal (traditional) contracting procedures there are fewer disagreements.	
STRONGLY AGREE	15%
AGREE	60%
DISAGREE	25%
STRONGLY DISAGREE	0%

Survey indicates that sixty percent of the technical personnel agree and fifteen percent strongly agree that there are fewer disagreements utilizing the alpha process.

Table 16. AMCOM's Technical Personnel Attitudes Toward Alpha Contracting.

6. The time to process and negotiate a contract is expedited during the Alpha process.	
STRONGLY AGREE	35%
AGREE	65%
DISAGREE	0%
STRONGLY DISAGREE	0%

Survey indicates that one hundred percent of the technical personnel believe that the Alpha process does expedite negotiation and award of a contract.

Table 17. AMCOM's Technical Personnel Attitudes Toward Alpha Contracting.

7. There is too much travel involved during the Alpha process.	
STRONGLY AGREE	0%
AGREE	50%
DISAGREE	50%
STRONGLY DISAGREE	0%

Survey indicates that only fifty percent of the technical personnel believe that there is too much travel during the alpha process.

Table 18. AMCOM's Technical Personnel Attitudes Toward Alpha Contracting.

8. Management does not support the intent of the alpha process.	
STRONGLY AGREE	30%
AGREE	50%
DISAGREE	10%
STRONGLY DISAGREE	10%

Survey indicates that eighty percent of the technical personnel believe that management does not support the intent of the Alpha process.

Table 19. AMCOM's Technical Personnel Attitudes Toward Alpha Contracting.

9. I feel like I am really part of the team during the Alpha process.	
STRONGLY AGREE	30%
AGREE	70%
DISAGREE	0%
STRONGLY DISAGREE	0%

One hundred percent believe that they are truly part of a team when utilizing the alpha process.

Table 20. AMCOM's Technical Personnel Attitudes Toward Alpha Contracting.

10. I think the Alpha process should be eliminated.	
STRONGLY AGREE	0%
AGREE	50%
DISAGREE	25%
STRONGLY DISAGREE	25%

Fifty percent of the technical personnel believe that the alpha process should be eliminated. However, fifty percent believe that the alpha process should not be eliminated.

#### **D. CONTRACTOR PERSONNEL**

Table 21. Contractor Personnel Attitudes Toward Alpha Contracting.

1. Goals are identified and approved at the initial meeting.	
STRONGLY AGREE	45%
AGREE	15%
DISAGREE	40%
STRONGLY DISAGREE	0%

Out of twenty contractor personnel surveyed and responded sixty percent believe that goals are identified and approved at the initial meeting. These contractor personnel responding to the survey have engaged in the Alpha Contracting process and have awarded at least one contract utilizing the Alpha Contracting process.

Table 22. Contractor Personnel Attitudes Toward Alpha Contracting.

2. Roles and responsibilities are clearly defined for all IPT members during the alpha process.	
STRONGLY AGREE	0%
AGREE	95%
DISAGREE	5%
STRONGLY DISAGREE	0%

Ninety five percent of the contractors believe that roles and responsibilities for the IPT members are clearly defined. In contrast only fifty percent of the contracting personnel agree and seventy percent of the technical personnel agree that roles and responsibilities are clearly defined for all IPT members during the Alpha process.

Table 23. Contractor Personnel Attitudes Toward Alpha Contracting.

3. Honesty and open communication is apparent during the alpha process and IPT members disclose pertinent information during the negotiation process.	
STRONGLY AGREE	0%
AGREE	100%
DISAGREE	0%
STRONGLY DISAGREE	0%

One hundred percent of the contractor personnel believe that the Alpha Contracting process enhanced honesty and open communication and both parties disclosed pertinent information during this process.

Table 24. Contractor Personnel Attitudes Toward Alpha Contracting.

4. IPT members are fully empowered during the Alpha process.	
STRONGLY AGREE	5%
AGREE	0%
DISAGREE	95%
STRONGLY DISAGREE	0%

Ninety five percent of the contractor personnel believe that IPT members are not empowered during the Alpha process.



Table 25. Contractor Personnel Attitudes Toward Alpha Contracting.

5. When comparing the Alpha process to the more formal (traditional) contracting procedures there are fewer disagreements.	
STRONGLY AGREE	0%
AGREE	100%
DISAGREE	0%
STRONGLY DISAGREE	0%

Survey indicates that one hundred percent of the contractor's believe that there are fewer disagreements utilizing the alpha process.

Table 26. Contractor Personnel Attitudes Toward Alpha Contracting.

6. The time to process and negotiate a contract is expedited during the Alpha process.	
STRONGLY AGREE	10%
AGREE	90%
DISAGREE	0%
STRONGLY DISAGREE	0%

Survey indicates that one hundred percent believe that the Alpha process does expedite negotiation and award of a contract.

Table 27. Contractor Personnel Attitudes Toward Alpha Contracting.

7. There is too much travel involved during the Alpha process.	
STRONGLY AGREE	40%
AGREE	20%
DISAGREE	40%
STRONGLY DISAGREE	0%

Survey indicates that sixty percent believe that there is too much travel during the alpha process.

Table 28. Contractor Personnel Attitudes Toward Alpha Contracting.

8. Management does not support the intent of the alpha process.	
STRONGLY AGREE	0%
AGREE	75%
DISAGREE	25%
STRONGLY DISAGREE	0%

Survey indicates that seventy five of the contractor personnel do not believe that management truly supports the intent of the alpha process.

Table 29. Contractor Personnel Attitudes Toward Alpha Contracting.

9. I feel like I am really part of the team during the Alpha process.	
STRONGLY AGREE	0%
AGREE	100%
DISAGREE	0%
STRONGLY DISAGREE	0%

One hundred percent of the contractor personnel believe that they are truly part of a team when utilizing the alpha process. One hundred percent of the technical personnel also believed that they were truly part of a team. However, only seventy percent of the contracting personnel believed they were truly part of a team during the Alpha process.

Table 30. Contractor Personnel Attitudes Toward Alpha Contracting.

10. I think the Alpha process should be eliminated.	
STRONGLY AGREE	0%
AGREE	50%
DISAGREE	50%
STRONGLY DISAGREE	0%

Fifty percent of the contractor personnel believe that the alpha process should be eliminated, however fifty percent disagree that the Alpha process should be eliminated.

#### **E. OVERALL RESULTS**

The overall perception of the survey respondents indicates that the Alpha Contracting process can work with the correct mix of ground rules, open and honest communication, IPT members, and commitment to the process. The respondents believe that the alpha process does expedite the contract process, negotiation, and award of a contract. The process promotes teamwork and each member feels like he or she is a part of that team.

Over fifty percent of the contracting, technical and contractor personnel surveyed agree that goals are identified and approved at the initial meeting of the Alpha process. Analysis indicates that the employment of a basic philosophy of trust and teamwork, which was developed and agreed upon early in the process as a goal, was key to the reduction of cycle time and the development of a successful buyer-seller relationship to facilitate the meeting of customer requirements.

Fifty percent of the contracting personnel, seventy five percent of the technical, and ninety five percent of the contractor personnel believe that the roles and responsibilities are clearly defined for all IPT members during the Alpha process. The contracting and technical personnel surveyed indicate that roles and responsibilities need to be discussed and clearly defined. A meeting, prior to the beginning of the alpha process to discuss the roles of each stakeholder involved could result in a higher percentage of contracting respondents feeling that IPT members' roles were clearly defined. Roles and responsibilities need to be discussed and agreed upon prior to the start of the alpha process.

Seventy percent of the contracting personnel, ninety five percent of the technical personnel, and one hundred percent of the contractor personnel believe that honesty and open communication is apparent during the Alpha process and that IPT members disclose pertinent information during the negotiation process. These respondents believe the alpha approach builds trust and honesty between the parties. Survey data suggests that

the contracting personnel believe that honesty and open communication is apparent during the Alpha process. The contractors indicate that open communications further enhance compliance with the provisions of the Truth in Negotiations Act and thus reduce the contractor's liability associated with inadvertent failure to disclose cost and pricing data [Ref. 36]. A constant theme that is prevalent in all of the documentation gathered during my research is the reliance upon the openness and honesty of the representatives participating in the Alpha process.

### **1. Areas that need improvement**

Areas that need improvement, based on the survey, are empowerment of the team and lack of management support from both the government and contractor. Both of these areas contributed to the respondents believing that the alpha process should be eliminated. Eighty percent of the contracting personnel surveyed, one hundred of the technical personnel, and ninety five percent of the contracting personnel believed that IPT members are not fully empowered by management during the Alpha process. Seventy percent of the contracting personnel, eighty percent of the technical personnel, and seventy five percent of the contractor personnel believe that management does not support the intent of the Alpha process. Eighty percent of the contracting personnel, fifty percent of the technical personnel, and fifty percent of the contractor personnel believe that the Alpha process should be eliminated.

Management commitment is an essential element of the Alpha Contracting process. Research results indicate that the authority of team members needs to be defined early on and understood by the individual team members. Management practices within the teams and their organizations must be team oriented rather than structural, functional, or individual oriented (Ref. 36]. Leadership from senior management will be critical if the acquisition workforce is to evolve from a concept of "getting on contract" to "working through the deal", which is a more strategic view that supports the long-term development and execution of a successful business relationship [Ref. 11] and is a primary goal of the Alpha process.

A breakdown in the process can also occur due to a lack of streamlining of the contractor's internal approval process. If contractor representatives are not empowered to

make decisions regarding contract approval, there may be significant increase in the time required for internal review, approval, and certification of bids and final settlements during negotiations. Respondents surveyed believe that this is an example of contractors not being empowered by their management during the alpha process.

When decisions are being made by management and outside of the IPT, failure to keep the IPT informed of the decision can create problems. The information may take longer to make its way back to the team members. Additionally, the information that did find its way back to the IPT may have been distorted, since it did not follow the recognized communications chain established by the IPT. For example, if management is making the decisions about a particular issue in the procurement and does not provide this to the IPT, the alpha process and the team members will lose credibility and the contractor will want to deal directly with management instead of working within the team.

Survey indicates that management needs to explain to the perspective team members how the overall mission relates to the process, and then rely upon the team to make the decisions. Management also needs to support the true intent of the Alpha process. As indicated earlier, alpha contracting is a teaming approach to contract negotiation that brings the concept of integration into reality [Ref. 4]. Management is considered by alpha contracting members as leaders who need to be trustworthy, inspirational, and passionate [Refs. 26 and 27]. This type of leadership must flow down to the Alpha IPT members. Failure to do so will not only discourages a long-lasting relationship between government and contractor representatives but also gives the impression that there is either a serious lack of commitment to the program, or that the level of importance of the contract does not rate the involvement of the company's "heavy hitters."

Possessing the support of management personnel prevents the time-consuming process of submitting every proposed change or deviation through the conventional approval channels, which stalls the process and inhibits accelerated progress. One of the most important steps in achieving this mutual commitment is the willingness of the upper

management of both industry and government to support the Alpha process and to accept its non-traditional way of doing business.

Based on the literature research and case studies that reveal that the Alpha process is working and a true innovate acquisition reform initiative, the survey indicates that it should be eliminated. This is due to the fact that the alpha process is labor intensive, the lack of empowerment of the alpha teams, and the lack of management support. Due to the downsizing that AMCOM is facing, the organization does not have the personnel to dedicate to specific alpha requirements. Team members must be dedicated to the Alpha process. It is crucial to maintain the same team members through the entire process of the alpha approach. This may become difficult due to resource constraints of downsizing and reorganizing, that individuals may face during their career. This problem can be compounded with the Government experiencing a shortage of qualified contracting personnel.

Respondents believe that the lack of empowerment and support from management can be attributed to lack of evidence to support that alpha contracting can save cost, schedule, and time in acquiring goods and services. Although cases, discussed in chapter III of this thesis clearly provides evidence that alpha can save cost, schedule and time, this data may not be filtering to upper management. Respondents also believe that lack of empowerment and management support from both the government and contractor can be attributed to the resistance to change, loss of control, and lack of training in the alpha process.

Individuals can resist change. For example, if the customer often does not fully understand the alpha process, there is possible resistance from a customer. Even in the face of acquisition reform, both the customer and many managers from the government and the contractor are hesitant to shift to a paradigm of open conversation with industry or totally sharing contracting information. Also, success stories of programs that utilized the alpha process need to be documented. This would enable senior management to see that the process works.

Government and/or contractor can perceive the alpha process as resulting in loss of control. Both the government and the contractor have rules and regulations to maintain control of the traditional contracting process. A Government example would be approval around the contracting officer level before release of the RFP. For a contractor, such control may include executive level budgeting decisions at each contracting step [Ref. 30]. Many of these controls are lost in the alpha process when IPT members are empowered to make decisions and create contracting documents in person, without consent from upper levels of management. While upper management can still provide overarching policy guidelines such as a pre or post business clearance, micro management of these policies can take away from the spirit of team empowerment instilled in an alpha acquisition. This loss of upper management control at the IPT level over the alpha process can cause concern within an organization; therefore, management is reluctant to provide total empowerment of the team.

Respondents also believed that lack of empowerment and support from management results from lack of training with the alpha process. Management does not believe that the contracting personnel, technical personnel, and contractors have enough training in the process and require a great deal more training in the area of alpha contracting to be efficient. If personnel were more trained in the alpha process, had a clear understanding of the process, and were aware of success stories of the alpha process, management would be more able to “buy-in” to the process.

Government and industry contracting parties need to look beyond the short-term (time and manpower) resource constraints of alpha contracting and think in terms of investment. Long-term benefits greatly outweigh the short-term resource constraints.

The key to overcoming the resistance to change is education at every level of the organization. All levels of the organization need to be educated on DoD reform and how this reform now allows the traditional contracting process to be streamlined into an alpha type process. Obviously, resistance to change is not a new concept to DoD acquisition; however, it can be overcome through the appropriate training.

## **2. Additional Results**

Fifty five percent of the contracting personnel, seventy five percent of the technical personnel, and one hundred percent of the contractor personnel believe that when comparing the Alpha process to the more traditional contracting procedures there are fewer disagreements. Contracting personnel believe that situations may arise in the procurement of major systems where certain cost elements may need to be elevated beyond the level that joint the Alpha process. This can be necessary for items such as unique contract clauses and languages.

One aspect of the Alpha process is the ability of sub-team members to share common databases and to reach agreement on estimating and evaluation methodology before beginning to develop cost estimates. This information sharing reduces any disagreements that can arise. Through review and manipulation of a common data, team members can more quickly achieve a thorough understanding of each organization's positions and work to eliminate disagreements. By reaching agreement on estimation and evaluation methodology prior to the development of cost estimates, the team can reduce bid and proposal costs.

Eighty percent of the contracting personnel, one hundred percent of the technical personnel, and one hundred percent of the contractor personnel believe that the time to process and negotiate a contract is expedited during the Alpha process. Literature and case studies presented earlier further support this data.

Sixty percent of the contracting personnel, fifty percent of the technical personnel, and sixty percent of the contractor personnel believe that there is too much travel involved during the Alpha process. Although face-to-face meetings/negotiations are most conducive to open communication, time and budgetary constraints may limit the feasibility of this approach. Being able to communicate any possible barriers to the achievement of program requirements and objectives is critical. However, many times tight budgets and busy schedules dictate the implementation of alternate methods of communicating. To address these concerns and these short-term resource constraints, video-teleconferences combined with a Web page enables geographically distant IPT



members to meet jointly without the additional time and cost involving travel. The combination of video-teleconference and such a Web site allows the benefit of an “in-person” medium of communication combined with the benefit of time savings due to decreased travel.

Seventy percent of the contracting personnel, one hundred percent of the technical personnel, and one hundred percent of the contractor personnel believe that they are truly part of a team during the Alpha process. Therefore, analysis supports the idea that the Alpha process promotes teamwork. With the diminishing number of major defense industrial firms, it is beneficial for DoD to develop and maintain productive long-term relationships with these contractors through the teaming arrangement.

#### **F. FINAL THOUGHTS**

The survey indicates and supports my analysis that the alpha process is truly innovative way in acquiring goods and services for AMCOM. It is a key reform initiative that looks to streamline the contracting process. The alpha process exploits the principles of concurrent and integrated rather than serial development in the contracting process to reduce the overall acquisition cycle time. This is accomplished through intimate involvement of the contractor and the government acquisition community.

The Alpha process is labor intensive in the early stages of development and requires a significant amount of dedicated personnel to be successful. Therefore, the use of a full Alpha Contracting approach should be limited to those programs for which there is a high payoff. High payoff must be independently defined by the Program Managers depending on the priority, funding requirements, ACAT level, urgency and visibility of their program.

The survey indicates that respondents had positive and negative perception of the Alpha process. Positive perceptions cluster around a teaming atmosphere of shared information and requirements understanding. Negative perception clusters around resource constraints, resistance to change, loss of control, and training. Alpha contracting requires dedication of ample resources early in the contracting process. Dedication of government and contractor personnel, time, and manpower is crucial to successfully

perform alpha contracting. As discussed earlier, training can overcome these negative perceptions given that the long-term benefits of the redesign process outweigh the short-term resource constraints.

The next chapter provides conclusions and recommendations about the Alpha Contracting process.

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## **V. CONCLUSIONS AND FUTURE RESEARCH**

### **A. INTRODUCTION**

This chapter summarizes the findings of the research and answers the study's research questions. Recommendations are provided as well as suggestions for further research.

### **B. CONCLUSIONS**

#### **Primary Research Question**

Can Alpha Contracting innovate the DoD contracting process at AMCOM, and if so, how?

The literature review, case studies, interviews, and the survey data indicate that Alpha Contracting can innovate the contracting process at AMCOM. Innovation implies radical improvement. Establishing ground rules and promoting team work, honesty, and open communication during the IPT and alpha process results in procurements being placed on contracts much sooner than the traditional process. Alpha contracting also promotes better working relationship with both the government and contractor.

Alpha Contracting takes an entirely different approach from traditional contracting methods. Applying the Alpha concepts to the contracting process visibly changes the process by jointly accomplishing key contracting steps. Alpha Contracting focuses on open communication, a free flowing information atmosphere, trust, empowering IPT members to make decisions, and mutual understanding the requirements results in a unique process.

In all organizational process flows described in Chapter II, contracting is performed through traditional, over the fence, documentation transferring processes. When the traditional contracting process is combined with acquisition uniqueness, most importantly requirements understanding, it leads to greater risk of user dissatisfaction, difficulties in contract administration, and government contractor relationship conflict [Ref. 30]. The joint government and contractor IPT concept found in the Alpha

Contracting process removes over the fence documentation transfer, encourages partnering, and has the potential to greatly decrease cycle time.

We can learn from this research that even the most efficient process provides opportunities for radical improvement under certain situations and conditions. Like any other process, Alpha Contracting process is not ideal for every acquisition. The contracting officer, program manager, and acquisition personnel must self evaluate their own acquisition and organization to determine if Alpha Contracting is appropriate for a specific acquisition situation. Alpha contracting is appropriate for acquisitions that have a high payoff or tailored to specific situations.

### **Secondary Research Questions**

- What is Alpha Contracting and is it truly an innovative way in requiring goods and services for DoD services?

The Alpha contracting process utilizes the “teaming arrangement” [Ref. 5]. This approach is also an acquisition reform streamlining method of procuring supplies and services using in many cases concurrent procurement events. The research of literature, interviews, case studies, and survey data indicates that Alpha contracting is an innovative way in acquiring goods and services for DoD services.

- What is the DoD traditional sole-source contracting process?

The traditional contracting approach involves a sequence of activities that floats numerous amounts of paper from the program office to the procurement office rather than to the contractor, with various iterations of specifications, work statements, scopes, request for proposals, cost estimates, proposals, evaluations, requests for supporting information, and revisions.

- What are the advantages of the Alpha contracting process?
  - Takes less time to issue and award contract: The primary advantage of Alpha Contracting is shortened lead-time for getting the acquisition under contract due principally to a Statement of Work (SOW) that both parties jointly develop which produces a document that is more clearly defined.
  - Develops better buyer and seller relationship: Alpha Contracting may build improved trust and honest communication between both

parties. The key to success is for the contractor and the government representatives to trust each other. The Alpha contracting process will not work when there is an adversarial relationship between the government and contractor.

- Create a teaming relationship: Alpha Contracting can develop a teaming approach between the government and the contractor. The teaming approach can ensure efficient human resource use by eliminating the need to re-do tasks (i.e., single technical review, coordinated fact-finding, early coordination of necessary documents).
- What are the disadvantages to the Alpha Contracting process?
  - Empowerment of the teams: Alpha Contracting process requires that the participants be devoted exclusively to this process. Along with this total involvement is the necessity for each team member to have the authority to make decisions for his/her organization. This process cannot be effective if the team members have to continually go back to management for approval of decisions made by the team.
  - Costly Process: Alpha Contracting process can be a costly process. Personnel are required to be away from their office for an extended period of time, which means that other personnel back in their office must pull double duty on the day-to-day operations of the office [Ref. 14.]. Alpha Contracting process can require both the contractor and government representatives to travel extensively, which can become extremely costly.
  - Maintaining Team Membership: Team members must be dedicated to the alpha process. It is crucial to maintain the same team members throughout the entire process of the alpha approach.
- What are potential inhibitors to applying the Alpha contracting process?
  - Resources Constraints: Though Alpha Contracting can possibly decrease cycle time, it requires dedication of ample resources early in the contracting process. Dedication of government and contractor personnel, time, and manpower is crucial to successfully perform alpha contracting.
  - Resistance to Change: The customer often does not fully understand the alpha process. There is possible resistance from a customer who not only does not understand the requirements of the traditional contracting process let alone the alpha contracting process. Survey indicates that some respondents would like the alpha process to be eliminated. This can be attributed to resistance

to change as well as lack of empowerment for the team and lack of management support for the process.

- Loss of Control: Both the government and contractor have rules and regulations to maintain control of the traditional contracting process. A Government example would be approval above the contracting officer level before release of the RFP. For a contractor, such control may include executive level budgeting decisions at each contracting step [Ref. 30]. Many of these controls are lost in the alpha process when IPT members are empowered to make decisions and create contracting documents in person, without consent from upper levels at each alpha contracting process step.

### C. RECOMMENDATIONS

These recommendations take into account the inhibitors discovered during the research of the effects of Alpha Contracting. Although the scope of the thesis was limited to the research of the Alpha Contracting process for AMCOM, it is the researcher's opinion that the following recommendations apply to the implementation of Alpha Contracting in any DoD acquisition command. Based on the conclusion of this research, the following recommendations are made:

1. **DoD should provide guidance encouraging the use of Alpha Contracting for acquisitions under the appropriate acquisition scenario.** Guidance in the form of a top-level memorandum should be drafted. The focus of the memorandum should be a discussion of the benefits and possible inhibitors of applying Alpha Contracting in the contracting area. This focus will not only assert awareness of the innovative practice of Alpha Contracting concepts for contracting, but will also provide an appreciation of concepts available to acquisition professionals above and beyond traditional contracting techniques.

2. **The decision to implement the Alpha Contracting process to an organization's contracting process should be made at the organizational level.** The contracting officer or program manager at the organizational level is in the best position to determine applicability of alpha contracting to a particular contracting circumstance. Personnel at the organizational level have the best opportunity for organizational self-evaluation of their acquisition environment.

3. **DoD should implement an Education and Training Plan for the acquisition workforce.** Successful implementation of the IPT process into an Alpha Contracting environment relies upon the establishment of a formal team-training plan for all IPT members. Team training is an important aspect of the IPTs. IPTs should be implemented early in the program because it will ultimately increase the effectiveness and efficiency of the team. Joint training sessions will also help to build unity and trust between the government and contractor.

4. **IPT members utilizing the Alpha Contracting process need to be empowered.** Delegation of authority is the key factor in the successful implementation of the Alpha Contracting process. As stated in Chapter III and IV, team members must be appropriately empowered to bind their individual organization within reasonable limits to the agreements reached in an IPT [Ref. 5]. Particular attention should be made in the selection of team members, ensuring that all areas pertaining to the contract development are represented and that the person chosen to represent each area is appropriate for the position. Alpha Contracting facilitates an environment in which requirements can be clearly communicated in an open forum; however, the mutual objectives of the parties cannot be realized if the individual representatives do not come to the table prepared to give and take in order to reach an agreement [Refs. 2 and 5].

5. **The IPT for the Alpha Contracting process should limit the number of representatives.** The success of the Alpha Contracting process relies upon the joint interaction and discussions of empowered representatives from each organization. However, if several empowered representatives for each area of the contract are present at the IPT meeting, the size of the team may become unmanageable, which may hinder the process more than benefit it.

#### **D. SUGGESTIONS FOR FURTHER RESEARCH**

During this research, the researcher found several areas that warrant further investigation. These areas are presented first as a research question followed by a short discussion.



1. **How can the Alpha Contracting process be implemented successfully in a competitive environment?** Many obstacles apply that can prevent the Alpha Contracting process to be implemented in competitive requirements. The obstacles are primarily resource constraints on the Government side and fear of sharing information without contract commitment on the contractor side. There are opportunities for portions of Alpha to be utilized such as pre-solicitation conferences or pre-proposal conferences. This is an excellent way to get involvement from many potential bidders or offers in the development of the RFP and even the SOW or requirement documents.

2. **Is the Alpha Contracting process being utilized in other DoD Programs?** This thesis focused mainly on Army programs at AMCOM to narrowly define the focus of research; however, the same analysis might be applied to programs managed by the Navy, Air Force, or Marine Corps to determine if the same advantages, disadvantages, and inhibitors present themselves in those cases. Additionally, a comparative analysis might be conducted to compare and contrast the Alpha process utilized within different services.

## **APPENDIX. ASSESSING THE ALPHA CONTRACTING PROCESS**

- |  |                   |          |       |                |
|--|-------------------|----------|-------|----------------|
| 1. Goals are identified and approved at the initial meeting.   | Strongly Disagree | Disagree | Agree | Strongly Agree |
| 2. Goals are identified and approved are often changed during the Alpha process.                                 | Strongly Disagree | Disagree | Agree | Strongly Agree |
| 3. The roles and responsibilities are more clearly defined for all IPT members during the Alpha process.         | Strongly Disagree | Disagree | Agree | Strongly Agree |
| 4. Open communication is more apparent during the Alpha process.   | Strongly Disagree | Disagree | Agree | Strongly Agree |
| 5. Honesty is increased between all IPT members during the Alpha process.  | Strongly Disagree | Disagree | Agree | Strongly Agree |
| 6. All IPT members readily disclose all pertinent information during the negotiation process.                    | Strongly Disagree | Disagree | Agree | Strongly Agree |
| 7. Representatives from each directly involved Organization are included in the Alpha process.                   | Strongly Disagree | Disagree | Agree | Strongly Agree |
| 8. All IPT members are fully empowered during the Alpha process.   | Strongly Disagree | Disagree | Agree | Strongly Agree |
| 9. IPTs are more efficient during the Alpha process.   | Strongly Disagree | Disagree | Agree | Strongly Agree |
| 10. Methods for resolution of disagreement between IPT members are clearly established during the Alpha process. | Strongly Disagree | Disagree | Agree | Strongly Agree |
| 11. There are fewer disagreements between all parties during the Alpha process.                                  | Strongly Disagree | Disagree | Agree | Strongly Agree |
| 12. The Alpha process has given more responsibility to the technical community.                                  | Strongly Disagree | Disagree | Agree | Strongly Agree |

13. The technical community relies on the contractor more often during the Alpha process.  
 Strongly Disagree      Disagree      Agree      Strongly Agree
14. The Alpha process has caused the procurement process to be compromised.  
 Strongly Disagree      Disagree      Agree      Strongly Agree
15. The Alpha process has degraded the authority of the contracting community.  
 Strongly Disagree      Disagree      Agree      Strongly Agree
16. The contracting officer has less control during the Alpha process.  
 Strongly Disagree      Disagree      Agree      Strongly Agree
17. The executive IPT makes all the decisions during the Alpha process.  
 Strongly Disagree      Disagree      Agree      Strongly Agree
18. Executive IPT members keep their perspective team members fully informed of all decisions that have been escalated.  
 Strongly Disagree      Disagree      Agree      Strongly Agree
19. Executive IPT member fully explain to their perspective team members the basis of their decisions.  
 Strongly Disagree      Disagree      Agree      Strongly Agree
20. Executive IPT members do not want honest input from their perspective team members.  
 Strongly Disagree      Disagree      Agree      Strongly Agree
21. Executive IPT members are more open with their counterparts than the other IPT members.  
 Strongly Disagree      Disagree      Agree      Strongly Agree
22. There is too much travel involved during the Alpha process.  
 Strongly Disagree      Disagree      Agree      Strongly Agree
23. Location of the IPT meetings has a bearing on resolution.  
 Strongly Disagree      Disagree      Agree      Strongly Agree
24. The time to process and negotiate a contract is expedited during the Alpha process.  
 Strongly Disagree      Disagree      Agree      Strongly Agree
25. The contractor is not as committed to the true intent of the Alpha process as the government.  
 Strongly Disagree      Disagree      Agree      Strongly Agree

26. The contractor has abused the Alpha process.  
 Strongly Disagree      Disagree      Agree      Strongly Agree
27. Management does not support the true intent of the Alpha process.  
 Strongly Disagree      Disagree      Agree      Strongly Agree
28. I feel like I am really part of a team during the Alpha process.  
 Strongly Disagree      Disagree      Agree      Strongly Agree
29. I like the Alpha process.  
 Strongly Disagree      Disagree      Agree      Strongly Agree
30. I think the Alpha process should be eliminated.  
 Strongly Disagree      Disagree      Agree      Strongly Agree

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